



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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December 22, 2005

IN REPLY PLEASE

REFER TO FILE: **T-5**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**STREET LIGHTING DISTRICTS
ANNEXATION AND LEVYING OF ASSESSMENTS FOR
COUNTY LIGHTING MAINTENANCE DISTRICT 1687
AND COUNTY LIGHTING DISTRICT LLA-1, UNINCORPORATED ZONE,
AND EXCHANGE OF PROPERTY TAX REVENUES FOR L 092-2004
SUPERVISORIAL DISTRICT 4
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the enclosed Resolution of Intention to Annex Territory to County Lighting Maintenance District 1687 and County Lighting District LLA-1, Unincorporated Zone, and to Order the Levying of Assessments within the Annexed Territory for Fiscal Year 2006-07. The project is located on Mills Avenue east of Broadway in the Whittier area.
2. Set a date for a public hearing regarding the proposed annexation of territory and levying of annual assessments based on the Fiscal Year 2005-06 Annual Engineer's Report, which establishes assessments based on land-use type for all zones within County Lighting District LLA-1 for street lighting purposes, with an annual base assessment rate of \$5 for a single-family home in the Unincorporated Zone.

3. Instruct the Executive Officer of the Board to cause notice of the public hearing by mail at least 45 days prior to the scheduled public hearing date of _____. The mailed notice will include assessment ballots.

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:

1. Order the tabulation of assessment ballots submitted, and not withdrawn, in support of or in opposition to the proposed assessment.
2. Determine whether a majority protest against the proposed annexation or assessment exists.
3. Adopt the enclosed Resolution Ordering Annexation of Territory to County Lighting Maintenance District 1687 and County Lighting District LLA-1, Unincorporated Zone, either as proposed or as modified by your Board, except the annexation, levy of assessments, and the exchange of property tax revenues will not be effective until the legal description for the annexed area is approved as to definiteness and certainty by the County Assessor. If there is no majority protest against the proposed annexation or assessment, the adoption of the Resolution will constitute the levying of assessments in Fiscal Year 2006-07.
4. Adopt the enclosed Joint Resolutions between your Board and other taxing agencies Approving and Accepting the Exchange of Property Tax Revenues resulting from the annexation of territory to County Lighting Maintenance District 1687, as approved by the other nonexempt taxing agencies.
5. Find that the annexation and assessments are to meet operating expenses; purchase supplies, equipment, or materials; meet financial reserve needs and requirements; and obtain funds for capital projects, including the operation and maintenance of street lights necessary to maintain service within the proposed annexation area.
6. Make a finding terminating the annexation, levy of assessments, and property tax transfer proceedings for L 092-2004 if the proposed annexation and levying of assessments have been rejected as a result of a majority protest.

7. Instruct the Executive Officer of the Board to file copies of the Resolutions with the County Assessor, Ownership Services Section; and Auditor-Controller, Tax Section.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

These recommended actions are for the Board to annex the territory listed in Appendix A into County Lighting Maintenance District 1687 and County Lighting District LLA-1, Unincorporated Zone, and to levy assessments on each lot or parcel lying within the proposed annexation territory based on land-use categories that designate usage units on the basis of benefits received. It is also recommended that your Board approve the exchange of property tax revenues among those nonexempt agencies whose service area is subject to the jurisdictional change.

County Ordinance requires the installation of a street lighting system by developers. The proposed annexation, levy of assessments, and exchange of property tax revenues are required to provide the necessary funding for the operation and maintenance of the street lights.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility, as this annexation, levy of assessments, and property tax transfer provide the funding necessary for the operation and maintenance of new street lighting facilities within the annexed territory.

FISCAL IMPACT/FINANCING

The ongoing operation and maintenance costs of the street lights within the annexed territory will be funded by a portion of the respective lighting district's share of ad valorem property taxes collected from property owners within the annexed territory, supplemented by assessments annually approved by your Board. The annexation will result in a minimal property tax growth transfer from the affected taxing entities including the County General Fund, County Library, Road Maintenance District 4, the County Fire Department, and the Los Angeles County Flood Control District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

New developments are typically required to provide street lighting in accordance with applicable subdivision, planning, and zoning ordinances as a condition of approval. The Streets and Highways Code (Sections 5821.3 and 22608.2) provides that a territory owned by a subdivider may be annexed to a lighting district if so provided by Ordinance, without notice and hearing, or filing of an Engineer's Report. Therefore, the posting and publishing requirements and filing of an Engineer's Report for this subdivision project is, therefore, not required.

The enclosed Resolution of Intention must be adopted to set a date for the required public hearing. Your Board, at the close of the public hearing, may delay its determination regarding the annexation and levying of assessments until a later date, continue the public hearing to receive further testimony, or make a determination regarding the annexation and/or assessment.

Under Proposition 218 (State Constitution, Articles XIIC and XIID), it is necessary to follow the procedures for levying of assessments previously authorized by your Board, including the sending, receipt, and tabulation of ballots. The assessment will only be levied if the weighted majority of ballots returned are in favor of the assessment.

The Landscaping and Lighting Act of 1972 provides for the assessment of street lighting costs against the benefited properties within County Lighting District LLA-1 by any formula or method that fairly distributes the costs among all assessable lots or parcels in proportion to the estimated benefits to be received by each from the improvements. A method of distributing the street lighting costs based on land use was approved by your Board on May 22, 1979, and amended on July 22, 1997, to include government-owned or leased parcels. The same distribution method was used to compute the base assessment rates shown in the Fiscal Year 2005-06 Annual Engineer's Report on file with Public Works.

Section 99.01 of the Revenue and Taxation Code provides that affected agencies must approve and accept the negotiated exchange of property tax revenues by Resolution. For those agencies with their own governing boards who fail to adopt a Resolution providing for the exchange of property tax revenues, your Board can approve the exchange of property tax revenue for that agency.

The Joint Resolution Approving and Accepting the Negotiated Exchange of Property Tax Revenues approved by nonexempt taxing agencies are enclosed for your consideration.

The assessments are subject to the results of ballot tabulation at the conclusion of the public hearing. Failure to annex the territory, levy assessments, and collect property tax revenues will result in the inability to operate and maintain the street lights as part of a County-administered lighting district and will result in the project not being issued a building permit and or being issued a Certificate of Occupancy.

Following the Board's approval of the annexation, levy of assessments, and exchange of property tax revenues, Public Works will file the statement of boundary changes with the State Board of Equalization as required by Section 54900 et seq. of the Government Code.

The enclosed Resolutions have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

This project is exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code and Class 1(x)27 of the County's Environmental Document Reporting Procedures and Guidelines approved by your Board.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

CONCLUSION

At such time as these recommendations may be adopted, please return one adopted copy of this letter and the signed Resolutions to Public Works. Also, forward one adopted copy of the letter and Resolutions to the County Assessor, Ownership Services Section (Attention Soledad Osborne); and to the Auditor-Controller, Tax Section (Attention Kelvin Aikens).

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

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cc: Chief Administrative Office
County Counsel